

TESTIMONY

Delivered by Mark P. Chudwick

Director, Communications, Visiting Nurse Services of Connecticut

Before the Connecticut General Assembly Human Services Committee

March 5, 2013

Raised Bill 1026

**An Act Concerning An Adequate Provider Network To Ensure Positive Health Outcomes
For Lower Income Residents**

Good afternoon Senator Slossberg, Representative Abercrombie and members of the Human Services Committee. My name is Mark Chudwick. I serve as Communications Director for Visiting Nurse Services of Connecticut. I am here today presenting testimony on behalf of the Connecticut Association For Healthcare At Home. The association represents 60 licensed and certified home health and hospice providers that perform some 5-million home and community-based visits for homebound Connecticut residents each year.

Our association supports Raised Bill 1026, an Act Concerning An Adequate Provider Network To Ensure Positive Health Outcomes For Lower Income Residents.

This act would create a special commission made up of health care providers and advocates that serve Connecticut's low income citizens to examine the obstacles to creation of an adequate provider network for these individuals. And to make recommendations on ways to overcome these obstacles to ensure appropriate access to achieve positive health outcomes.

Historically, Connecticut has struggled to develop robust provider networks for its low income residents. This issue will escalate significantly later this year when the tenants of the Patient Protection and Affordable Care Act take effect requiring all citizens to acquire health insurance coverage. It is estimated that this requirement will affect some 300-thousand Connecticut residents who do not currently have insurance. Some 75-thousand of those individuals will automatically qualify for coverage under the state's Medicaid program.

We have significant concerns about the state's current Medicaid system's ability to be able to adequately serve this new population.

In the home health arena, most Medicaid patients are served by nonprofit providers, like my organization—VNS of Connecticut. Our nonprofit mission is to do everything possible to ensure that all Connecticut residents have access to high quality home health and hospice services, regardless of the patient's ability to pay. However, mounting financial and regulatory pressures are causing all nonprofit home health providers to lose ground in serving their missions while at the same time remaining financially viable. As an example, VNS of Connecticut has seen a significant increase in Medicaid patients since the beginning of the current economic downturn. Last year, our agency served nearly 2-thousand Medicaid patients at a loss of more than 3.7 million dollars. Pressures like this are requiring all nonprofit home health providers to revisit their Medicaid access policies in order to remain financially viable. In fact, over the past 18 months, a handful of our nonprofit peers in the state have lost this battle and have closed their doors, further exacerbating the access problem.

We believe that this special commission is absolutely necessary to identify all of the obstacles facing Medicaid provider networks and to develop solutions to ensure adequate access for our most vulnerable citizens.

Thank you.